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JACK ANDERSON

Court Papers Show Effort on Pipeline Plan

Greek arms dealer Basil Tsakos claims to have spent \$1 million trying to win support in high places for his scheme to build a pipeline across central Africa that would pump Saudi Arabian oil from the Red Sea to the Atlantic coast.

In a court suit, Tsakos charges that he paid Joe Rosenbaum, an old wartime intelligence buddy of CIA Director William J. Casey, \$25,000 to open doors for him in Washington—but that Rosenbaum failed to spend the money to influence officials, as Tsakos had intended.

Still, from court documents and inside sources, my associate Corky Johnson has learned that Rosenbaum did get Tsakos something for his money. For example:

- To lend the effort a proper air of intrigue, Tsakos and Rosenbaum assigned code names to various big shots they tried to interest in the project. In telephone calls and in cables to Tsakos' Geneva headquarters, Rosenbaum would refer to Casey as "The Visitor"; to former Navy secretary William Middendorf as "The Banker"; and to James Woods, head of the African section of International Security Affairs at the Pentagon, as "The Forest."

- Casey was kept regularly informed about the project's status. Sources suggested that, because of the pipeline's potential strategic importance, the CIA would have infiltrated the pipeline company if the project ever made it off the drawing board.

- Rosenbaum told Tsakos he needed \$50,000 for Bill Gifford, a former Bechtel Inc. executive who, Rosenbaum said, was about to join another Bechtel alumnus, George P. Shultz, at the State Department. Tsakos later brought up the matter in a conversation with Gifford in a men's room at the Kennedy Center, but Gifford reportedly said he had never heard of Rosenbaum and didn't know what Tsakos was talking about.

- Gifford later did work as a consultant on the project, and contacted Shultz, whom Tsakos met at a State Department dinner. But Tsakos paid Gifford only about \$10,000, and was upset because he hadn't pushed the matter with Shultz. Gifford, who now works for General Public Utilities on the Three Mile Island nuclear plant, refused to comment.

- Rosenbaum also told Tsakos he needed \$15,000 for Woods, saying the money would go toward the education of the Pentagon official's children. Sources said Woods never got a dime. Rosenbaum did arrange for Tsakos to talk with Woods and his boss, Assistant Defense Secre-

tary Francis West. Letters and reports discussing details of the proposed pipeline were later sent to West and Woods.

- A senior Pentagon official confirmed that there had been several meetings with pipeline company representatives, and that a memo on the project was sent to Defense Secretary Caspar W. Weinberger. According to the official, the memo recommended that the Pentagon keep informed on the project and help the pipeline company in contacting other federal agencies, but should stop short of giving official endorsement to the plan.

The official said Rosenbaum and Tsakos repeatedly sought Pentagon approval for the project, and threw out names of government officials who supposedly backed the idea—a standard lobbying technique known as "bandwagoning," intended to enlist support of other officials.

- Rosenbaum also arranged meetings between Tsakos and State Department officials, including one with Assistant Secretary Chester A. Crocker and his deputy, Frank G. Wisner.

- In September, 1982, Rosenbaum introduced Tsakos to former CIA agent Albert Jolis, now a New York gem importer. The three had lunch at the Watergate, and Jolis told Tsakos he knew Africa well and could be helpful on the pipeline project. He said he was on his way to see Casey at the CIA, and said he would brief him on their discussion.